GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:879
ANSWERED ON:21.11.2016
Trade Deficit
Gopal Dr. K.;Pandula Dr. Ravindra Babu ;Ram Shri Vishnu Dayal

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of India"s imports and exports during the last three years and the current year, year-wise indicating total imports from China;
(b) the percentage of gap between the imports and exports of the country during the said period;
(c) whether the trade gap of the country has increased during the period and if so, the details thereof and the reasons thereof;
(d) whether the Government has taken several measures to improve the trade deficit with other countries and if so, the details thereof; and
(e) whether the Government has asked its missions abroad to explore all avenues in this regard and if so, the response received by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) India"s merchandise imports and exports and imports from China during the last three years and the current year are as follows:

Years (in US$ Billions)
Total Imports Total Exports Imports from China
2013-14 450.2 314.4 51.0
2014-15 448.0 310.4 60.4
2015-16 381.0 262.3 61.7
2016-17 (Apr-Sept)* 175.1 132.0 29.2
Source: Directorate General of Commercial Intelligence & Statistics (* Provisional)
(b) The gap between the imports and exports of the country during the last three years and the current year is as follows:
(in terms of US$ Billions)
Years Export Import Trade Gap % Trade Gap over previous year
2013-14 314.42 450.21 -135.79 -
2014-15 310.35 448.03 -137.68 1.39
2015-16 262.29 381.02 -118.726 -13.77
2015-16
(Apr-Sept) 133.72 202.27 -68.55 -
2016-17
(Apr-Sept)* 132.03 175.10 -43.07 -37.17
Source: Directorate General of Commercial Intelligence & Statistics (* Provisional)

(c) The above data reveals that there is a small increase in the trade gap during the period 2014-15 over 2013-14. However, the trade gap has decreased in 2015-16 and the current year compared to corresponding period of previous year.

(d) The Government has taken following measures to improve the trade deficit with other countries:
(i) The New Foreign Trade Policy (2015-20) was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports.

(ii) The Merchandise Exports from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015. The Government has extended the market coverage to all countries in respect of 7914 lines. The revenue forgone under the scheme (MEIS) has increased from Rs. 22000 Crore to Rs. 23500 Crore per annum.

(iii) The Government launched Services Exports from India Scheme (SEIS) in the FTP 2015-2020. The Scheme provided rewards to service providers of notified services who are providing service from India.

(iv) The Government is implementing the Niryat Bandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counselling sessions, individual facilitation, etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.

(v) By way of trade facilitation and enhancing the ease of doing business, Government reduced the number of mandatory documents

required for exports and imports to three each, which is comparable with international benchmarks. The trade community can file applications online for various trade related schemes. Online payment of application fees through Credit/Debit cards and electronic funds transfer from 53 Banks has been put in place.

(vi) Interest Equalization Scheme on pre & post shipment credit launched to provide cheaper credit to exporters.

(vii) Further, the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorization, Duty Free Import Authorization (DFIA), Export Promotion Capital Goods (EPCG) and drawback / refund of duties.

(e) Efforts are continuously made through missions abroad to increase overall exports by diversifying the trade basket with emphasis on manufactured goods, services, resolution of market access issues and other non-tariff barriers.

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